IN THE

Supreme Court of the United States

OCTOBER TERM, 1970

70-314

No. ~~1-850-1~~

BRUNETTE MACHINE WORKS LTD.,
Petitioner,

v.

KOCKUM INDUSTRIES, INC.,
Respondent.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT

J. PIERRE KOLISCH
JON M. DICKINSON
Attorneys for Petitioner

KOLISCH, HARTWELL
& DICKINSON
1004 Standard Plaza
Portland, Oregon 97204
Of Counsel

STEVENS-NESS LAW PUB. CO., PORTLAND, ORE. 6-71

TABLE OF CONTENTS

	Page
OPINION BELOW	1
JURISDICTION	1
QUESTION PRESENTED	2
STATUTORY PROVISIONS INVOLVED	2
STATEMENT OF THE CASE	2
REASONS FOR GRANTING THE WRIT	3
(1) The decision below is in direct conflict with the decision of another court of appeals	3
(2) The decision below conflicts with the decisions of this Court	4
(3) The decision below raises an important question of construction of federal statutes	5
CONCLUSION	6
APPENDIX	A-1

TABLE OF AUTHORITIES

Page

Cases

Chas. Phizer & Co. v. Laboratori Pro-Ter Produtti Therapeutici, 278 F. Supp. 148, (1967) 4

Coulter Electronics, Inc. v. A. B. Lars Ljundberg & Co., 376 F.2d 743 (1967), cert. den. 389 U.S. 859 ..... 3, 4

Fourco Glass Co. v. Transmirra Products, 353 U.S. 222, (1957) 2, 4

Schnell v. Peter Eckrich & Sons, Inc., 365 U.S. 260, (1961) 2, 5

Societe Industries Mechaniques Allies v. Honorable Oren R. Lewis, unreported, decided January 18, 1971 4

Stonite Products Co. v. Melvin Lloyd Co., 315 U.S. 561, (1942) 2, 5

Statutes

28 U.S.C. § 1254(1) 1
28 U.S.C. § 1391(d) 2, 3, 5
28 U.S.C. § 1400(b) 2, 3, 5, 6

IN THE

Supreme Court of the United States

OCTOBER TERM, 1970

No._____

BRUNETTE MACHINE WORKS LTD.,

Petitioner,

v.

KOCKUM INDUSTRIES, INC.,

Respondent.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT

OPINION BELOW

The opinion of the Court of Appeals, not yet reported, appears in the appendix hereto. No opinion was rendered by the District Court for the District of Oregon.

JURISDICTION

The judgment of the Court of Appeals for the Ninth Circuit sought to be reviewed was entered on April 20, 1971. No petition for rehearing was filed. Jurisdiction of this Court is invoked under 28 U.S.C. § 1254(1).

QUESTION PRESENTED

Whether the patent venue provision, 28 U.S.C. § 1400(b), rather than the general venue provision, 28 U.S.C. § 1391(d), controls in a patent infringement case where the defendant is an alien having neither a residence nor a regular and established place of business within the district where suit was filed.

STATUTORY PROVISIONS INVOLVED

28 U.S.C. § 1391(d) provides:

Venue generally

(d) An alien may be sued in any district.

28 U.S.C. § 1400(b) provides:

Patents and copyrights.

(b) Any civil action for patent infringement may be brought in the judicial district where the defendant resides, or where the defendant has committed acts of infringement and has a regular and established place of business.

STATEMENT OF THE CASE

Respondent, Kockum, on January 23, 1969 filed a complaint in the District Court for the District of Oregon charging petitioner, Brunette, an alien corporation of British Columbia, Canada, with infringement of United States Letters Patent Nos. 2,775,274 and 2,855,010. On February 7, 1969, pursuant to Rule 12(b) Federal Rules of Civil Procedure, Brunette moved for dismissal of the suit on the ground of im-

proper venue because Brunette did not reside in Oregon, had not committed acts of infringement, and did not have a regular and established place of business in Oregon. On February 20, 1969, the District Court entered an order granting the motion for dismissal. Kockum appealed, and on April 20, 1971 the Court of Appeals entered its judgment reversing the District Court (App. A-1).

REASONS FOR GRANTING THE WRIT

(1) The decision below is in direct conflict with the decision of another court of appeals.

In *Coulter Electronics, Inc.* v. *A. B. Lars Ljunberg & Co.*, 376 F.2d 743 (1967), cert. den. 389 U.S. 859, the Seventh Circuit had the identical situation before it as did the Ninth Circuit in the present case. There, an alien corporation was sued for patent infringement in the District Court for the Northern District of Illinois. The corporation neither resided in that district nor had it a regular and established place of business there. The Seventh Circuit reviewed the conflicting views as to whether § 1391(d) or 1400(b) of Title 28 U.S.C. controlled, and felt bound by this Court's decisions, particularly those in *Stonite Products Co.* v. *Melvin Lloyd Co.*, 315 U.S. 561, (1942); *Fourco Glass Co.* v. *Transmirra Products*, 353 U.S. 222, (1957); and *Schnell* v. *Peter Eckrich & Sons, Inc.*, 365 U.S. 260, (1961). It held that § 1400(b) is the sole and exclusive provision controlling venue in patent infringement actions, regardless of whether de-

fendant is a domestic or an alien. The Court said (376 F.2d at 746):

> "Faced with two conflicting views as to the proper interpretation of Section 1400(b), it is quite understandable that we have chosen to follow the interpretation so recently announced by the Supreme Court."

In its decision in the present case the Ninth Circuit recognized the squarely contrary decision by the Seventh Circuit in *Coulter*, but expressly declined to follow it. Instead, it chose to follow the decision of the court in the Southern District of New York in *Chas. Pfizer & Co.* v. *Laboratori Pro-Ter Produtti Therapeutici*, 278 F. Supp. 148, (1967), which decision is also in conflict with *Coulter*.

As far as we have been able to determine, the Second Circuit has not yet passed on the question, but the Fourth Circuit in *Societe Industries Mechaniques Allies* v. *Honorable Oren R. Lewis*, unreported, decided January 18, 1971, came to a conclusion opposite to that of the Seventh Circuit in *Coulter*. A petition for writ of certiorari in that case was denied on June 7, 1971. However SIMA involved mandamus and was interlocutory in nature rather than a final order of dismissal of the petitioner, as in the present case.

(2) The decision below conflicts with the decisions of this Court.

In *Fourco* this Court said (353 U.S. at 228):

> "We think it is clear that . . . § 1400(b) is a

special venue statute applicable, specifically, to *all* defendants in a particular type of actions, i.e., patent infringement actions.

. . . . .

We hold that that 28 U.S.C. § 1400(b) is the sole and exclusive provision controlling venue in patent infringement actions. . . ." [Court's emphasis]

These statements are in accord with the Court's earlier decision in *Stonite* (315 U.S. at 563) and the most recent pronouncements made in *Schnell* (365 U.S. at 262).

(3) The decision below raises an important question of construction of federal statutes.

Whether the special venue statute, § 1400(b), or the general venue statute, § 1391(d), controls in the case of an alien defendant in a patent infringement case is an important and recurring question. The conflict over this issue now existing between different circuits results in the intolerable situation that alien defendants, otherwise equally circumstanced, are treated differently depending where suit is brought against them.

While some believed that this Court in its prior decisions had finally settled the matter—namely, that in patent infringement actions, § 1400(b) is the sole and exclusive provision controlling venue as to *all* defendants—others thought not, and interpreted those decisions in a manner producing contrary results.

These interpretations, which limit application of § 1400(b) to situations where the defendant is a domestic corporation as distinguished from an alien one, are unwarranted and should be corrected by the Court.

There must be a uniform federal rule in all circuits with respect to application of the federal venue statutes.

CONCLUSION

There will be no resolution of the conflicting decisions of the various lower courts until this Court decides the issue. In the present case the issue has arisen in a clear, unentangled manner, and is now ripe for resolution. A writ of certiorari should issue to review the judgment and opinion of the Ninth Circuit.

Respectfully submitted,

J. PIERRE KOLISCH
JON M. DICKINSON
Attorneys for Petitioner

KOLISCH, HARTWELL
& DICKINSON
Of Counsel

APPENDIX

UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT

KOCKUM INDUSTRIES, INC.,
Plaintiff-Appellant,

v.

BRUNETTE MACHINE WORKS, LTD.
Defendant-Appellee.

No. 24,105

[April 20, 1971]

Appeal from the United States District Court
For the District of Oregon

Before: DUNIWAY and CARTER, Circuit Judges, and GRAY, District Judge*

PER CURIAM:

The appellant brought a patent infringement action in the United States District Court in Oregon against the appellee, a corporation whose principal place of business is in British Columbia, where it was formed. The appellee successfully moved for dismissal of the action on the ground of improper venue, and this appeal followed.

The court below presumably agreed with the appellee that the governing statute is 28 U.S.C. § 1400 (b), which provides that "Any civil action for patent infringement may be brought in the judicial district

* Honorable William P. Gray, United States District Judge, Central District of California, sitting by designation.

where the defendant resides, or where the defendant has committed acts of infringement and has a regular and established place of business." Inasmuch as the appellee neither "resides" in Oregon nor has "a regular and established place of business" there, § 1400 (b) does not establish venue in that district.

However, the appellant relies upon 28 U.S.C. § 1391(d), which states that "An alien may be sued in any district."

This very same issue as to which of the two statutes is applicable in patent infringement actions against aliens, was presented in *Chas. Pfizer & Co.* v. *Laboratori Pro-Ter Proditti Therapeutici*, 278 F. Supp. 148 (S.D. N.Y. 1967). Judge Mansfield there ruled that 28 U.S.C. § 1391(d) controls. We agree with that decision and with the carefully reasoned opinion upon which it is based.

We are mindful of the decision in *Coulter Electronics, Inc.* v. *A. B. Lars Ljundberg & Co.*, 376 F.2d 743 (7th Cir. 1967), *cert. denied*, 389 U.S. 859, 88 S. Ct. 103, 19 L. Ed. 2d 124 (1967), as was Judge Mansfield, but we decline to follow it, for the same reasons as those stated in *Pfizer* and in *SCM Corporation* v. *Brother International Corporation*, 316 F. Supp. 1328 (S.D. N.Y. 1970).

Accordingly, the order of the district court dismissing the action here concerned is reversed and the case is remanded for further proceedings.